Application No. 2013-01

VANCOUVER ENERGY DISTRIBUTION TERMINAL

TERMINAL LLC

TESORO SAVAGE PETROLEUM

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APPLICANT'S CONSOLIDATED RESPONSE TO PETITIONS FOR INTERVENTION - 1 CASE NO. 15-001

APPLICANT'S CONSOLIDATED RESPONSE TO PETITIONS FOR INTERVENTION

The Applicant, Tesoro Savage Petroleum Terminal LLC ("Vancouver Energy"), by and through its undersigned counsel, submits this Consolidated Response to Petitions for Intervention ("Response").

### I. INTRODUCTION

Fifteen entities ("Petitioners") have filed petitions for full and unlimited participation as intervenors in the adjudication of the Vancouver Energy Distribution Terminal (the "Project"). They are:

- City of Washougal;
- Columbia Riverkeeper, Climate Solutions, ForestEthics, Friends of the Columbia Gorge, Fruit Valley Neighborhood Association, Sierra Club, Spokane Riverkeeper, and Washington Environmental Council;<sup>2</sup>
- International Longshore Warehouse Union Local 4;
- Columbia River Inter-Tribal Fish Commission;
- Columbia Waterfront LLC;
- · City of Spokane;
- Confederated Tribes and Bands of the Yakama Nation; and

<sup>1</sup> Additionally, four governmental entities, "deemed parties" pursuant to WAC 463-30-050 and WAC 463-30-060(2), have filed notices of party participation indicating they wish to actively participate in the adjudication. They are: the Department of Natural Resources, Clark County, the City of Vancouver, and the Port of Vancouver. Vancouver Energy does not object to their admission as parties to the adjudication.

<sup>2</sup> These organizations moved to intervene in a consolidated petition.

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719 Second Avenue Suite 1150 Seattle, WA 98104 (206) 623-9372

• Confederated Tribes of the Umatilla Indian Reservation.

Vancouver Energy does not oppose the admission of Petitioners as intervenors, provided their involvement will not delay the proceedings and an efficient and effective adjudication can be achieved. Accordingly, Vancouver Energy reserves the right to object to the Council's consideration of issues proposed by Petitioners for adjudication. This Response does not constitute a waiver of any claim, defense, or legal position available to Vancouver Energy. Moreover, Vancouver Energy requests that the Council exercise its discretion to impose reasonable conditions and limitations on Petitioners' participation, such as a requirement that Petitioners coordinate and consolidate their participation, to allow for timely and efficient adjudication of the pending application. Finally, Vancouver Energy requests that the Administrative Law Judge ("ALJ") convene a prehearing conference at the earliest opportunity to address the matters raised in this Response, to discuss coordination of State Environmental Policy Act ("SEPA") review and adjudication procedures, and to address additional procedural issues.

#### II. ARGUMENT

# A. The Council may limit Petitioners' participation in the adjudication.

"The Council has an obligation to its own administrative processes, to the applicant, to all participants, to the Council members, and to the public to maintain a process that not only fairly and legally allows it to reach a decision, but also does so effectively and efficiently." See In re Application No. 94-1 of Washington Public Power Supply System, Council Order No. 676, Appx. A, p. 2 (1995). Although Vancouver Energy does not object to the Petitioners' admission as intervenors, it urges the Council to exercise its discretion to reasonably condition and limit the Petitioners' participation in the interest of achieving a fair and efficient hearing. *Id.* Appx. A, pp. 5-6.

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The Council's regulations and precedent do not require unlimited participation in the adjudicative process by any and all interested persons. "Both the APA and EFSEC's rules authorize the Council to impose limits on those who participate in the proceeding via intervention." *In re Application No. 2004-1 of Wind Ridge Power Partners, L.L.C.*, Council Order 804, p. 4 (2004). The Council has clear authority to condition and limit the Petitioners' participation in the pending adjudication. "The statute permits the imposition of conditions upon intervenors, and it permits the agency to impose those conditions at any time. The statute also allows the agency to impose limitations as to the issues an intervenor may address; limitations on the use of discovery, cross examination, and other procedures to promote the prompt and orderly conduct of the hearing, and may require two or more intervenors to combine their participation." Order No. 676, Appx. A, p. 3 (emphasis in original). *See also* RCW 34.05.443(2); WAC 463-30-092.

# B. The Council should require Petitioners to identify the specific issues proposed for adjudication.

In order to identify appropriate conditions and limitations for the Petitioners' participation, each Petitioner must clearly articulate the issues they propose for adjudication. In most instances Petitioners' petitions for intervention fail to provide enough detail to allow the Council to properly frame the issues for adjudication. Without this specificity, it is not possible to evaluate whether each Petitioner meets the standards for intervention: that is, whether each Petitioner has established its interest in the issues raised with particularity and shown that the interest could be adversely affected by the Project in a direct and substantial way.<sup>3</sup> In the case of environmental and other public interest groups, each Petitioner must also demonstrate that the organization has special



<sup>&</sup>lt;sup>3</sup> RCW 34.05.443 and WAC 463-30-091; see also In re Application No. 96-1 of Olympic Pipe Line Company, Council Order No. 701, p. 3 (1996); Council Order No. 804, p. 5.

expertise in the issues raised that would provide the Council with guidance that might not otherwise be available through the participation of other parties.<sup>4</sup>

Parties may participate in the EFSEC process in several ways even if they cannot meet the standard for intervention regarding a specific issue. First, under RCW 80.50.080, the Counsel for the Environment represents "the public and its interest in protecting the quality of the environment." Second, RCW 80.50.090(3) affords an opportunity for members of the public to present testimony at the hearing without having to intervene formally. Third, the public has the opportunity to participate in the environmental review portion of the Council's process through comments on the Draft Environmental Impact Statement ("DEIS"). Accordingly, it may not be appropriate for every Petitioner to be an intervenor regarding every issue.

Vancouver Energy therefore requests that the Council promptly require each Petitioner to:

- (1) Submit a list of legal issues proposed for adjudication. Each proposed issue should be defined with a level of specificity to allow the Council to determine whether the issues are within EFSEC's adjudicative jurisdiction;<sup>5</sup> and
- (2) Establish the Petitioner's standing to raise such issues by demonstrating a specific and particular interest in each issue that is not adequately represented by another party and, in the case of the public interest groups, demonstrating that the organization has special expertise in each issue that might not otherwise be available through the participation of another party.
- C. The Council should appropriately condition and limit each Petitioner's participation in the adjudication.

The Council should impose the following conditions and limitations based upon

<sup>&</sup>lt;sup>4</sup> See In re Application No. 99-1 of Sumas Energy 2, Inc., Council Order No. 743, p. 7 (2000); Order No. 804, p. 5.

<sup>&</sup>lt;sup>5</sup> For example, Vancouver Energy notes that several of the Petitioners are located a great distance from the Project site and these Petitioners have stated an interest in raising issues related to rail transportation. Many, if not all, of these issues may be preempted by federal law and, therefore, outside the scope of EFSEC's adjudicative jurisdiction.

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each Petitioner's specific issues proposed for adjudication:

- (1) Limit each Petitioner's participation to designated issues in which they have demonstrated a particular interest or special expertise;
- (2) Limit duplicate representation of similar issues and interests by requiring consolidated presentation of evidence, briefing, discovery (if any), witness examination, and argument;
- (3) Identify issues that are more appropriately addressed in the DEIS review and public comment process, and remove those issues from the adjudicative process upon publication of the DEIS; and
- (4) Impose other conditions or limitations that will allow for a fair and efficient hearing.

This is consistent with the Council's approach to intervention in other proceedings. See, e.g., In re Application No. 2009-01 of Whistling Ridge Energy Project LLC, Council Order No. 842 (2009); In re Application No. 2003-01 of Sagebrush Power Partners, L.L.C., Council Order No. 777 (2003).

D. <u>Vancouver Energy reserves the right to object to any issue proposed for adjudication and to any Petitioner's participation in any particular issue in the adjudication.</u>

Vancouver Energy reserves its right to raise all factual, legal, and procedural arguments during the adjudication, including but not limited to the following:

- (1) The need to address specific issues in the context of the SEPA review process, which is separate from the adjudication. See In re Application No. 2009-01 of Whistling Ridge Energy Project LLC, Council Order No. 853, p. 2 (2010);
- (2) Pre-emption of specific issues by federal law, and/or dismissal of issues not otherwise within EFSEC's adjudicative jurisdiction;
- (3) Clarification or dismissal of proposed issues that are vague, overbroad, or inadequately stated;
- (4) Consolidation of issues that are adequately represented by participating governmental agencies, Counsel for the Environment, or both;
- (5) Limitation of issues that are beyond the established interest or expertise of a particular party;
- (6) Limitation of a party's participation based on duplication, redundancy, or delay

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of the adjudicative process that will impair the orderly and prompt conduct of the hearing or will impair the rights of existing parties;

- (7) Limitation of discovery (if any) to avoid unnecessary burden, expense, or delay; or
- (8) Objection based on violation of EFSEC's rules of process or procedure.

# E. The ALJ should promptly schedule a prehearing conference.

Vancouver Energy requests that the ALJ schedule a prehearing conference at the earliest opportunity to address the issues raised in this Response and to provide further clarity regarding the procedures to be used throughout the prehearing phase of this adjudication. This conference should, at a minimum, address the parties' proposals pertaining to hearing guidelines, a prehearing and hearing schedule, and discovery issues.<sup>6</sup>

Dated: March 6, 2015.

VAN NESS FELDMAN LLP

Jay P/Den (WSBA #\2620)

Tadas A. Kisielius (WSBA # 28734)

Dale N. Johnson (WSBA # 26629)

719 Second Avenue, Suite 1150

Seattle, WA 98104 T: (206) 623-9372

Petroleum Terminal LLC

E: jpd@vnf.com; tak@vnf.com; dnj@vnf.com

Attorneys for Applicant Tesoro Savage

<sup>6</sup> Vancouver Energy also requests clarification of service requirements, and notes that many of the petitions for intervention failed to comply with EFSEC's regulations governing proper service of

APPLICANT'S CONSOLIDATED RESPONSE TO PETITIONS FOR INTERVENTION - 6



documents.

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That I am over the age of 18 years, not a party to this action, and competent to be a witness herein:

That I, as a legal assistant in the office of Van Ness Feldman, caused true and correct copies of the following documents to be delivered as set forth below:

- 1. Applicant's Consolidated Response to Petitions for Intervention;
- 2. Certificate of Service.

Olympia, WA 98504-3172

Department of Commerce

Brian Bolender, Director

1011 Plum Street SE

T: 360-725-4021

DEPARTMENT OF COMMERCE

Olympia, WA 98504-2525

Department of Fish & Wildlife

DEPARTMENT OF FISH & WILDLIFE

1191 Second Avenue, Suite 2200

E: Philip.anderson@dfw.wa.gov

Phil Anderson, Director

Seattle, WA 98101

T: 360-902-2720

E: brian.bolender@commerce.wa.gov

E: efsec@utc.wa.gov

T: 360-664-1345

I. Amanda Kleiss, declare as follows:

and that on March 6, 2015, I addressed said documents and deposited them for delivery as follows:

### VIA E-MAIL & FIRST CLASS U.S. MAIL:

Energy Facility Site Evaluation Council
Cassandra Noble
Administrative Law Judge
1300 S Evergreen Park Drive SW

Tesoro Savage Petroleum Terminal LLC
Kelly J. Flint
TESORO SAVAGE PETROLEUM TERMINAL LLC
110 Columbia Boulevard, Suite 108 & 110

Vancouver, WA 98660 E: kellyf@savageservices.com

T: 801-944-6600

Department of Ecology
Maia D. Bellon, Director
DEPARTMENT OF ECOLOGY
300 Desmond Drive
Olympia, WA 98504-7600
E: maia.bellon@ecy.wa.gov
T: 360-407-7001

Department of Natural Resources

Terence A. Pruit Assistant Attorney General NATURAL RESOURCES DIVISION 1125 Washington Street SE PO Box 40100 Olympia, WA 98504-0100

E: terryp@atg.wa.gov; resolvef@atg.wa.gov

CERTIFICATE OF SERVICE - 1

Van Ness Feldman

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719 Second Avenue Suite 1150 Seattle, WA 98104 (206) 623-9372

1 2 3 4 5	Utilities & Transportation Commission David Danner UTILITIES AND TRANSPORTATION COMMISSION 1300 S Evergreen Park Drive SW PO Box 47250 Olympia, WA 98504 E: ddanner@utc.wa.gov T: 360-664-1208	Department of Transportation Lynn Peterson DEPARTMENT OF TRANSPORTATION 310 Maple Park Avenue SE PO Box 47300 Olympia, WA 98504-7300 E: lynnp@wsdot.wa.gov
6 7 8 9	Clark County Taylor Hallvik Deputy Prosecuting Attorney CLARK COUNTY PROSECUTOR'S OFFICE Civil Division	Counsel for the Environment Matt Kernutt, AAG OFFICE OF THE ATTORNEY GENERAL 1125 Washington Street SE PO Box 40100
10 11	PO Box 5000 Vancouver, WA 98666-5000 E: taylor.hallvik@clark.wa.gov T: 360-397-2478	Olympia, WA 98504-0100 E: <u>Mattk1@atg.wa.gov</u> T: 360-586-0740
12	_City of Vancouver	
13   14	E. Bronson Potter City Attorney	Susan Drummond County for City of Vancouver
15	Attorney for CITY OF VANCOUVER PO Box 1995	LAW OFFICE OF SUSAN ELIZABETH DRUMMOND
16 17	Vancouver, WA 98668-1995 E: Bronson.potter@cityofvancouver.us T: 360-487-8500	5400 Carillon Pt. Bldg. 5000 Kirkland, WA 98033-7357 E: susan@susandrummond.com T: 206-682-0767
18	Petitioner Columbia Waterfront LLC	
19	Linda R. Larson MARTEN LAW, PLLC	Daniel Timmons MARTEN LAW, PLLC
20	1191 Second Avenue, Suite 2200 Seattle, WA 98101	1001 SW Fifth Avenue, Suite 1500 Portland, OR 97217
21	E: <u>llarson@martenlaw.com</u>	E: dtimmons@martenlaw.com
22	T: 206-292-2600	T: 503-243-2200
23		
24		
25		
	CERTIFICATE OF SERVICE - 2	

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Van Ness Feldman

719 Second Avenue Suite 1150 Seattle, WA 98104 (206) 623-9372

Petitioners Columbia Riverkeeper; Climate Solutions; ForestEthics; Friends of the 1 Columbia Gorge; Fruit Valley Neighborhood Association; Sierra Club; Spokane Riverkeeper, & Washington Environmental Council 2 Kristen L. Boyles David Bricklin 3 Janette K. Brimmer Bryan Telegin BRICKLIN & NEWMAN, LLP Matthew R. Baca 4 1001 Fourth Avenue, Suite 3303 **EARTHJUSTICE** Seattle, WA 98154 705 Second Avenue, Suite 203 5 E: bricklin@bnd.-law.com; telegin@bnd-Seattle, WA 98104 law.com E: kboyles@earthjustice.org; 6 ibrimmer@earthjustice.org; mbaca@earthjustice.org 7 T: 206-343-7340 8 Petitioner ILWU Local 4 Petitioner City of Washougal 9 Donald L. English Cager Clabaugh Scott Russon Jared Smith 10 CITY ATTORNEYS FOR THE CITY OF INTERNATIONAL LONGSHORE WAREHOUSE WASHOUGAL **UNION LOCAL 4** 11 12204 SE Mill Plain, Suite 200 1205 Ingalls Road Vancouver, WA 98684 12 Vancouver WA 98660 E: English@elmbsv.com; E: cagerclabaugh@aol.com; russon@elmbsv.com 13 mithared@yahoo.com T: 360-903-7678 (Cager Clabaugh) 14 T: 360-241-0314 (Jared Smith) Petitioner Confederated Tribes of the 15 Umatilla Indian Reservation Petitioner City of Spokane Brent H. Hall Michael J. Piccolo 16 Office of Legal Counsel Assistant City Attorney 17 CONFEDERATED TRIBES OF THE UMATILLA OFFICE OF THE CITY ATTORNEY INDIAN RESERVATION 5<sup>th</sup> Floor City Hall 18 46411 Timine Way Spokane, WA 99201-3326 Pendleton, OR 97801 E: mpiccolo@spokanecity.org 19 E: brenthall@ctuir.org T: 509-625-6225 T: 541-429-7407 20 21 2.2 23 24

CERTIFICATE OF SERVICE - 3

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1 Petitioner Confederated Tribes & Bands Petitioner Columbia River Inter-Tribal Fish of the Yakima Nation Commission 2 Joe Sexton Julie A. Carter 700 NE Multnomah Street, Suite 1200 GALANDA BROADMAN PLLC 3 8606 – 35<sup>th</sup> Avenue NE, Suite L1 Portland, OR 97213 PO Box 15146 E: carj@critfc.org 4 T: 503-736-3592 Seattle, WA 98115 E: joe@galandabroadman.com 5 T: 206-557-7509 6 Port of Vancouver 7 David F. Bartz, Jr. Alicia L. Lowe 8 SCHWABE, WILLIAMSON & WYATT, P.C. 1211 SW Fifth Avenue, Suite 1900 9 Portland, OR 97204-3795 10 E: dbartz@schwabe.com; alowe@schwabe.com 11 T: 360-905-1427 12 I hereby certify that I have this day served the foregoing document upon all parties 13 of record in this proceeding, by authorized method of service pursuant to WAC 463-30-14 120(3). 15 EXECUTED at Seattle, Washington on this 6th day of March, 2015. 16 17 Amanda Kleiss, Declarant 18 19 20

**CERTIFICATE OF SERVICE - 1** 



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